



**State of Louisiana**  
Louisiana Department of Health  
Bureau of Health Services Financing

**VIA E-MAIL ONLY**

April 16, 2019

Mr. Jamie Schlottman, CEO  
Louisiana Healthcare Connections  
8585 Archives Avenue, 3rd Floor  
Baton Rouge, LA 70809

**RE: Notice of Action for Louisiana Healthcare Connections' - Improper Payments Made to Behavioral Health Service Providers Not Complying with State Law**

Dear Jamie:

Louisiana Healthcare Connections (LHCC) has made improper payments to behavioral health service providers (BHSPs) who have failed to comply with Louisiana law. Act 582 of the 2018 Regular Legislative Session, effective May 31, 2018, changed the law regarding requirements for BHSP agencies and individuals providing behavioral health services within those agencies. Act 582 provided that for dates of service on or after January 1, 2019, in order to be eligible to receive Medicaid reimbursement, BHSPs providing psychosocial rehabilitation (PSR) or community psychiatric supportive treatment (CPST) must include its NPI number and the NPI number of the individual rendering PSR or CPST services on all claims submitted for Medicaid reimbursement.

Further, LHCC is not in compliance with its contract with the Louisiana Department of Health (LDH). The contract provides.

7.6.3.3. The MCO shall require unlicensed staff of provider organizations rendering and receiving reimbursement for Mental Health Rehabilitation (MHR) services to obtain and submit National Provider Identifier (NPI) numbers to the MCO, as well as documentation verifying the unlicensed staff meets all qualifications and requirements for providing mental health rehabilitation (MHR) services established by law, rules, regulations and the Medicaid Behavioral Health Service Provider Manual, inclusive of Evidence-Based Practice (EBP) MHR services, prior to reimbursing agencies for services provided by these staff. Claims submitted for MHR services shall include rendering provider NPIs and other MCO required identifiers regardless of whether the rendering staff is

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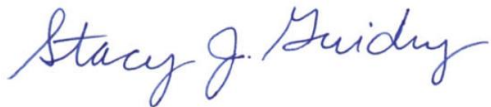
licensed or unlicensed. The MCO shall configure systems to deny claims for services when rendering providers and NPIs are denoted on claims for service that have not been credentialed and approved by the MCO. The MCO shall submit their policies, procedures and work plan associated with this requirement to LDH for approval within 30 days of contract execution. The MCO's work plan shall include timelines associated with systems configuration, systems testing phases, education and outreach to providers, communication notices to providers, and the effective date the MCO's unlicensed staff NPI requirement will go-live.

LHCC has made improper payments to provider agencies who submitted claims without an NPI number for the individual rendering the service, which is a violation of Louisiana law. Failure to adhere to the contract requirements cited herein carries a monetary penalty per occurrence per calendar day of non-compliance of \$5,000 as outlined in Section 20.3.3 of the contract between LHCC and LDH.

No later than 5:00 p.m. on Tuesday, April 23, 2019, all encounter records with improper claims payments must be voided and re-submitted meeting the requirements of Act 582. Additionally, all claims ineligible for reimbursement, which were paid improperly, shall be voided. Should LHCC fail to provide documentation evidencing compliance, penalties will begin to accrue retrospective to January 1, 2019 for each day per claim improperly paid in violation of Louisiana law.

Should you have any questions, please do not hesitate to contact me.

Sincerely,



Stacy Guidry

Section Chief, Medicaid Program Operations and Compliance

SG/lj

cc: Michael Boutte  
Jen Steele  
Karen Stubbs  
Kim Sullivan  
Christina Wilson  
LHC2-19